GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:4173
ANSWERED ON:18.08.2000
ANTI-DUMPING DUTY ON IMPORT OF BICYCLES
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Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the Government have further liberalized import the fully assembled bicycles under OGL from April 01, 2000;

(b) if so, whether Chinese bicycles are being imported in a large number and are sold at cheaper rate;

(c) whether the indigenous cycle industry has taken up the matter with the Government to impose additional Counter-vailing duty on imported bicycles to secure a level playing field;

(d) whether the liberalized import of consumer goods under OGL on low tariff is threatening the survival of indigenous small scale industry units; and

(e) if so, the reaction of the Government thereto?

Answer

MINISTER OF COMMERCE & INDUSTRY (SHRI MURASOLI MARAN)

(a) to (e) Import restrictions on Bi-cycles (Exim Code No. 871200 01) were removed with effect from 31.03.2000.Representations have been received, apprehending the likely import of Chinese Bi-cycles into the country and its adverse impact on the domestic manufacturers.

Import of Bi-cycles attracts a total customs duty of 44.04%. This should provide adequate protection to the domestic producers. However, the Government is continuously monitoring the imports and is absolutely determined to ensure through appropriate use of the tariff and other WTO compatible mechanisms that imports do not cause any serious detriment or injury to the domestic industry due to removal of import restrictions. Towards that end, Government has increased duties on a numbers of items where a surge in imports was noticed or apprehended. Government has also constituted an Inter Ministerial Group under the chairmanship of Commerce Secretary, to assess the likely impact of removal of quantitative restriction and to suggest suitable corrective measures. Besides, a Group of Ministers has been entrusted with the task of suggesting ways and means for empowering the SSI sector.